### 106TH CONGRESS 1ST SESSION

# H. R. 1565

To amend the Trademark Act of 1946 relating to dilution of famous marks, and for other purposes.

### IN THE HOUSE OF REPRESENTATIVES

APRIL 27, 1999

Mr. Coble introduced the following bill; which was referred to the Committee on the Judiciary

# A BILL

To amend the Trademark Act of 1946 relating to dilution of famous marks, and for other purposes.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 SECTION 1. SHORT TITLE.
- 4 This Act may be cited as the "Trademark Amend-
- 5 ments Act of 1999".
- 6 SEC. 2. DILUTION AS A GROUNDS FOR OPPOSITION AND
- 7 **CANCELATION.**
- 8 (a) Registrable Marks.—Section 2 of the Act en-
- 9 titled "An Act to provide for the registration and protec-
- 10 tion of trade-marks used in commerce, to carry out the

- 1 provisions of certain international conventions, and for
- 2 other purposes" (in this Act referred to as the "Trade-
- 3 mark Act of 1946") (15 U.S.C. 1052) is amended by add-
- 4 ing at the end the following flush sentences: "A mark
- 5 which when used would cause dilution under section 43(c)
- 6 may be refused registration only pursuant to a proceeding
- 7 brought under section 13. A registration for a mark which
- 8 when used would cause dilution under section 43(c) may
- 9 be canceled pursuant to a proceeding brought under either
- 10 section 14 or section 24.".
- 11 (b) Opposition.—Section 13(a) of the Trademark
- 12 Act of 1946 (15 U.S.C. 1063(a)) is amended in the first
- 13 sentence by inserting ", including as a result of dilution
- 14 under section 43(c)," after "principal register".
- 15 (c) Petitions To Cancel Registrations.—Sec-
- 16 tion 14 of the Trademark Act of 1946 (15 U.S.C. 1064)
- 17 is amended in the matter preceding paragraph (1) by in-
- 18 serting ", including as a result of dilution under section
- 19 43(c)," after "damaged".
- 20 (d) Cancelation.—Section 24 of the Trademark
- 21 Act of 1946 (15 U.S.C. 1092) is amended in the second
- 22 sentence by inserting ", including as a result of dilution
- 23 under section 43(c)," after "register".

### SEC. 3. REMEDIES IN CASES OF DILUTION OF FAMOUS 2 MARKS. 3 (a) Injunctions.—(1) Section 34(a) of the Trademark Act of 1946 (15 U.S.C. 1116(a)) is amended in the 5 first sentence by striking "section 43(a)" and inserting 6 "subsection (a) or (c) of section 43". 7 (2) Section 43(c)(2) of the Trademark Act of 1946 (15 U.S.C. 1125(c)(2)) is amended in the first sentence by inserting "as set forth in section 34" after "relief". 9 10 (b) Damages.—Section 35(a) of the Trademark Act of 1946 (15 U.S.C. 1117(a)) is amended in the first sen-11 tence by striking "or a violation under section 43(a)," and inserting "a violation under section 43(a), or a willful violation under section 43(c),". 15 (c) Destruction of Articles.—Section 36 of the Trademark Act of 1946 (15 U.S.C. 1118) is amended in 17 the first sentence— 18 (1) by striking "or a violation under section 19 43(a)," and inserting "a violation under section 20 43(a), or a willful violation under section 43(c),"; 21 and 22 (2) by inserting after "in the case of a violation of section 43(a)" the following: "or a willful viola-23

tion under section 43(c)".

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#### 1 SEC. 4. LIABILITY OF GOVERNMENTS FOR TRADEMARK IN-

2	<b>FRINGEMENT</b>	AND	DILITION
<u> </u>	FRINGEMENT	AND	DILUTION.

- 3 (a) Civil Actions.—Section 32 of the Trademark
- 4 Act of 1946 (15 U.S.C. 1114) is amended—
- 5 (1) by amending the last undesignated para-
- 6 graph in paragraph (1) to read as follows:
- 7 "As used in this subsection, the term 'any person'
- 8 also includes the United States, all agencies and instru-
- 9 mentalities thereof, and all individuals, firms, corpora-
- 10 tions, or other persons acting for the United States and
- 11 with the authorization and consent of the United States,
- 12 and any State, any instrumentality of a State, and any
- 13 officer or employee of a State or instrumentality of a State
- 14 acting in his or her official capacity. The United States,
- 15 all agencies and instrumentalities thereof, and all individ-
- 16 uals, firms, corporations, other persons acting for the
- 17 United States and with the authorization and consent of
- 18 the United States, and any State, any instrumentality of
- 19 a State, and any officer or employee of a State or instru-
- 20 mentality of a State, shall be subject to the provisions of
- 21 this Act in the same manner and to the same extent as
- 22 any nongovernmental entity.".
- 23 (b) Waiver of Sovereign Immunity.—Section 40
- 24 of the Trademark Act of 1946 (15 U.S.C. 1122) is
- 25 amended—

1	(1) by redesignating subsection (b) as sub-
2	section (e);
3	(2) by striking "Sec. 40. (a) Any State" and
4	inserting the following:
5	"Sec. 40. (a) Waiver of Sovereign Immunity by
6	THE UNITED STATES.—The United States, all agencies
7	and instrumentalities thereof, and all individuals, firms,
8	corporations, other persons acting for the United States
9	and with the authorization and consent of the United
10	States, shall not be immune from suit in Federal or State
11	court by any person, including any governmental or non-
12	governmental entity, for any violation under this Act.
13	"(b) Waiver of Sovereign Immunity by
14	STATES.—Any State"; and
15	(3) in the first sentence of subsection (c), as so
16	redesignated—
17	(A) by striking "subsection (a) for a viola-
18	tion described in that subsection" and inserting
19	"subsection (a) or (b) for a violation described
20	therein"; and
21	(B) by inserting after "other than" the fol-
22	lowing: "the United States or any agency or in-
23	strumentality thereof, or any individual, firm,
24	corporation, or other person acting for the

- 1 United States and with authorization and con-
- 2 sent of the United States, or".
- 3 (c) Definition.—Section 45 of the Trademark Act
- 4 of 1946 (15 U.S.C. 1127) is amended by inserting be-
- 5 tween the 2 paragraphs relating to the definition of "per-
- 6 son" the following:
- 7 "The term 'person' also includes the United States,
- 8 any agency or instrumentality thereof, or any individual,
- 9 firm, or corporation acting for the United States and with
- 10 the authorization and consent of the United States. The
- 11 United States, any agency or instrumentality thereof, and
- 12 any individual, firm, or corporation acting for the United
- 13 States and with the authorization and consent of the
- 14 United States, shall be subject to the provisions of this
- 15 Act in the same manner and to the same extent as any
- 16 nongovernmental entity.".
- 17 SEC. 5. CIVIL ACTIONS FOR TRADE DRESS INFRINGEMENT.
- 18 Section 43(a) of the Trademark Act of 1946 (15
- 19 U.S.C. 1125(a)) is amended by adding at the end the fol-
- 20 lowing:
- 21 "(3) In a civil action for trade dress infringement
- 22 under this Act for trade dress not registered on the prin-
- 23 cipal register, the person who asserts trade dress protec-
- 24 tion has the burden of proving that the matter sought to
- 25 be protected is not functional.".

## 1 SEC. 6. TECHNICAL AMENDMENTS.

2	(a) Assignment of Marks.—Section 10 of the
3	Trademark Act of 1946 (15 U.S.C. 1060) is amended—
4	(1) by striking "subsequent purchase" in the
5	second to last sentence and inserting "assignment";
6	(2) in the first sentence by striking "mark,"
7	and inserting "mark."; and
8	(3) in the third sentence by striking the second
9	period at the end.
10	(b) Additional Clerical Amendments.—The text
11	and title of the Trademark Act of 1946 are amended by
12	striking "trade-marks" each place it appears and inserting

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13 "trademarks".